



# 2005-2010 Strategic Plan

*California Board of Accountancy*

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This Strategic Plan identifies eight goals and 32 objectives developed to enable the California Board of Accountancy to meet its statutory mandate that protection of the public shall be its highest priority in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount. In meeting its mandate and mission, the Board also strives to deliver the highest standards of service to all concerned, affected, and interested parties.

This plan has been prepared in compliance with Chapter 779, Statutes of 1994, and it is consistent with the direction stated in the Department of Finance's *Strategic Planning Guidelines* document.

This plan is the outcome of planning workshops conducted by Board program management staff, with direction from the Board's President and Vice President. The plan is intended to be staged over a five-year period, updated as warranted. It reflects the mandates of recent reform legislation, sunset review priorities, implementation of practice privilege, consideration of a mandatory peer review process, and it takes into account future resource needs.

The Strategic Plan focuses the efforts of the Board to achieve the mandates of the Accountancy Act (California Business and Professions Code, Section 5000 *et. seq.*) and Accountancy Regulations (California Code of Regulations, Title 16, Division 1), as well as the policy directions of the Board.

In an environment of limited fiscal resources, the Board articulates the following goals:

- GOAL 1: Pursue an active, effective, and efficient Enforcement Program.**
- GOAL 2: Focus resources to deliver the highest standards of consumer protection and customer service.**
- GOAL 3: Enhance licensure and practice privilege processes.**
- GOAL 4: Provide effective and timely outreach to all CBA stakeholders.**
- GOAL 5: Maintain an active presence and leadership role that efficiently leverages CBA's position of regulatory influence with state, national, and international organizations.**

- GOAL 6:      Develop an organizational structure that delivers responsive, effective, and innovative services.**
- GOAL 7:      Promote licensee competency.**
- GOAL 8:      Improve efficiency, information security, and cost-effectiveness through use of existing and emerging technologies and information services staffing.**

While the Strategic Plan outlines ambitious goals and objectives, the Board is confident that they are achievable. This is an action-oriented plan, focused on protecting the consumer, delivering the highest quality of customer service, and making the California Board of Accountancy even more responsive to the needs of its many stakeholders.

# Mission and Vision Statements

## *The Mission of the Board of Accountancy*

is to protect the public welfare, particularly consumers, by ensuring that only qualified persons and firms are licensed to practice public accountancy and that appropriate standards of competency and practice, including ethics, objectivity and independence are established and enforced.

## *The Vision of the Board of Accountancy*

is to be the premier regulatory agency that provides exemplary consumer protection, fosters high ethical standards, promotes continuous quality in the practice of public accountancy, and operates with maximum efficiency.

# Core Values and Guiding Principles

Core values support the mission of the California Board of Accountancy and are essential to the success of this organization. Guiding principles embody the core values, are practiced in performing the Board's daily functions, and are utilized to fulfill the Board's mission and vision.

## *Integrity*

This Board will act in an honest, ethical, and professional manner in all endeavors, and fully disclose all pertinent information.

## *Quality*

This Board will deliver service, information, and products that reflect excellence.

## *Openness*

This Board will actively promote the sharing of ideas and information throughout the organization and be receptive to new ideas.

## *Initiative*

This Board will encourage creatively looking at problems and processes and actively seeking solutions and improvements.

## *Respect*

This Board will be responsive, considerate, and courteous to all, both within and outside the organization.

## *Accountability*

This Board will take ownership and responsibility for our actions and their results.

## *Teamwork*

This Board will promote cooperation and trust at all levels by working with and soliciting the ideas and opinions of others.



Created by statute in 1901, the Board regulates the accounting profession for the public interest; licensed practitioners are the Certified Public Accountant (CPA) and the Public Accountant (PA). By authority of the Accountancy Act:

- Administers the National Uniform CPA Examination to California candidates.
- Certifies, licenses, and renews licenses of individual CPAs and PAs.
- Registers CPA partnerships, PA partnerships and corporations. Receives and investigates complaints; takes disciplinary action against licensees for violation of Board statutes and regulations.
- Monitors compliance with continuing education requirements; reviews work products of CPAs, PAs, and CPA firms to ensure adherence to professional standards. The Board currently regulates more than 73,000 licensees, the largest group of accounting professionals in the nation.

The Board is self-funded, supported by fees imposed upon the professional community it regulates. The Board draws no monies from taxpayers or the General Fund. By law, examination and initial license fees are established at the level of the actual cost to render services. Renewal fees fund the Enforcement and the Continuing Competency Programs, as well as general administrative functions.

The Licensure Program ensures that individuals possess the necessary knowledge and qualifications to competently and ethically practice public accounting. The examination and license elements of the program provide entry level competence. Because of the dynamic, progressive nature of the profession, licensees must continually update their skills and knowledge to remain qualified to practice. The Board's Continuing Education Program focuses on ensuring that licensees maintain the current professional knowledge necessary for competent performance. The Board, through its Licensure Program, administers the National Uniform CPA Examination to California candidates; certifies, licenses, and renews the licenses of individual CPAs and PAs, as well as registers CPA partnerships, PA partnerships and corporations.

The objective of the Board's Enforcement Program is to protect consumers, minimize substandard practice, rehabilitate licensees, and discipline licensees, as warranted. The California Board of

Accountancy is unique in its authority to discipline not only individuals but also firms. This program is staffed with professional Investigative CPAs. Enforcement activities include investigating complaints against persons practicing without a license and taking disciplinary actions against licensees for violations of Board statutes and regulations. In addition, this program monitors compliance with continuing education requirements, and it actively reviews the work products of CPAs, PAs, and CPA firms to ensure compliance with appropriate accounting standards.

*All* goals support the mission and vision of the California Board of Accountancy. Goals are numbered for reference. However, the objectives listed under each goal are prioritized by number.

The Board uses performance measures, where applicable, to track progress in achieving its goals and objectives, and to identify areas for improvement. Performance measures reflect the consumer protection mission of the Board and provide a common focus for achievement.

**GOAL 1      Pursue an active, effective, and efficient Enforcement Program.**

- Objective 1.1    Achieve an Investigative CPA (ICPA) staffing level to adequately address workload demands.
- Objective 1.2    Achieve salary parity for ICPA staff to ensure success in hiring and retention efforts.
- Objective 1.3    Explore alternatives to investigative resources if unable to recruit and retain ICPA staff.
- Objective 1.4    Review and refine the current protocols for prioritizing complaints and cases.
- Objective 1.5    Review the effectiveness of 2002 statutory and regulatory requirements related to reportable events.
- Objective 1.6    Continue to interface with other accounting regulatory agencies to assist CBA's enforcement responsibilities.

**GOAL 2      Focus resources to deliver the highest standards of consumer protection and customer service.**

- Objective 2.1    Respond to all inquiries within a reasonable time frame.
- Objective 2.2    Maintain a state-of-the-art secure and current Web site that provides enhanced interactive features.
- Objective 2.3    Train CBA management on techniques and processes for evaluating staff performance.
- Objective 2.4    Evaluate staff annually and provide essential training to achieve and maintain currency and optimum skill levels.

*Goals and Objectives*

**GOAL 3      Enhance licensure and practice privilege processes.**

- Objective 3.1    Implement the Practice Privilege Program.
- Objective 3.2    Establish and implement procedures for Practice Privilege Program Enforcement Division referrals.
- Objective 3.3    Implement the Practice Privilege Program audit process.
- Objective 3.4    Achieve reasonable timeframes for processing examination, licensure, and license renewal applications.
- Objective 3.5    Evaluate the data collected relative to the Practice Privilege Program.

**GOAL 4      Provide effective and timely outreach to all CBA stakeholders.**

- Objective 4.1    Implement CBA's Practice Privilege Program Communication and Outreach Plan.
- Objective 4.2    Ensure that all CBA communications are current.
- Objective 4.3    Develop multiple methods of delivering information.
- Objective 4.4    Transition CBA's Web site to the standards of the State Portal architecture and functionality.

**GOAL 5      Maintain an active presence and leadership role that efficiently leverages CBA's position of regulatory influence with state, national, and international organizations.**

- Objective 5.1    Proactively work with the AICPA<sup>1</sup>, NASBA<sup>2</sup>, and Prometric on behalf of California CPA Examination candidates to resolve issues in a fair and expeditious manner.

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<sup>1</sup> American Institute of Certified Public Accountants

<sup>2</sup> National Association of State Boards of Accountancy

Objective 5.2 Press for significant representation of state regulators on the Board of Examiners (BOE) and its committees and task forces specific to the development, oversight, and administration of the Uniform CPA Examination.

Objective 5.3 Press for full performance of the existing tri-party CBT<sup>3</sup> CPA Examination contract.

**GOAL 6      Develop an organizational structure that delivers responsive, effective, and innovative services.**

Objective 6.1 Review the CBA's organizational design to create an optimal structural framework.

Objective 6.2 Develop a Workforce and Succession Plan to ensure that the CBA has adequate staffing and skill levels in response to employee retirement and attrition.

Objective 6.3 Redesign CBA's existing workspace environment to enhance organizational cohesiveness and productivity.

**GOAL 7      Promote licensee competency.**

Objective 7.1 Explore the reinstatement of a process to review and verify continuing education reported by licensees at license renewal.

Objective 7.2 Review attest experience forms and related licensure processes to ensure they reflect current statutes and regulations.

Objective 7.3 Explore the most cost-effective opportunities for evaluating licensees' compliance with professional reporting standards.

Objective 7.4 In accordance with guidance from the Legislature, continue to evaluate options for the implementation of mandatory peer review in California.

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<sup>3</sup> Computer-Based Testing

**GOAL 8**      **Improve efficiency, information security, and cost-effectiveness through use of existing and emerging technologies and information services staffing.**

Objective 8.1      Apply best practices to safeguard the confidentiality, integrity, and availability of CBA information assets.

Objective 8.2      Migrate to acceptance of credit card payments for examination, licensure, and renewal fees.

Objective 8.3      Address records storage issues to achieve timely archiving of records and transitioning to electronic data storage.



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